

The
Crow's Nest
Pass Coal
Company
Limited



Thirty - First
Annual Report
1927



The Crow's Nest Pass Coal Company Limited

Capital Stock (Authorized)	\$10,000,000.00
Capital Stock (Subscribed)	6,212,666.66
Capital Stock (Paid Up)	6,212,666.66

Company's Head Office
Fernie, B.C.

Stock Transfer Office
Toronto General Trusts Corporation
253 Bay Street, Toronto.

Registrar
National Trust Company, Limited, Toronto.

BOARD OF DIRECTORS FOR 1928.

PRESIDENT

W. R. Wilson
Ferne, B.C.

FIRST VICE PRESIDENT

A. H. MacNeill, K.C.
Vancouver, B.C.

SECOND VICE PRESIDENT

L. C. Gilman
Barrister, Seattle.

DIRECTORS

Dr. G. W. Howland
Toronto.

James T. Maher
Right-of-Way, Land and Tax Commissioner,
Great Northern Railway Company, St. Paul, Minn.

James F. Edgar
Barrister, Toronto.

Hon. Andrew Haydon
Senator,
Messrs. McGiverin, Haydon & Ebbs,
Barristers, Ottawa, Ontario.

Col. J. T. Crabbs
President Granby Consolidated M. S. & P. Co.
New York, N.Y.

H. P. Wilson
General Manager, Fernie, B.C.

OFFICERS

General Manager	H. P. Wilson
Treasurer	A. A. Klauer
Comptroller	Geo. H. Hess, Jr.
Secretary	J. S. Irvine
Auditors	Messrs. Welch, Campbell & Lawless, Chartered Accountants.

PROCEEDINGS

OF THE

Thirty-first Annual Meeting of the Shareholders

On the 13th day of June, 1928, the Annual General Meeting of the Shareholders of the Company was held, pursuant to Notice, at the Head Office of the Company, Fernie, B.C., at 2.30 p.m.

The following Shareholders were present, representing 71.2% of the Stock :—

In Person and By Proxy—

W. R. Wilson.	Edgar, Florence Hester.
L. C. Gilman.	Evans, K. Beatrice.
Dr. G. W. Howland.	Elwell, Catherine Odell.
J. F. Edgar.	Edgar, Helen M. (Mrs.).
J. T. Maher.	Edgar, Ruby T.
H. P. Wilson.	Edgar, M. C.
Adam G. G. & B. S. Darling,	Ellis, Myrtle M. (Mrs.).
(In Trust).	Edgar, Fannie H.
Adam, James Edward.	Fennell, T. T., & H. R.
Adam, John.	Creighton (In Trust).
Ainley, Norman.	Follingsby, Elizabeth.
Anderson, Geo. A.	Freeland, Edward B.
Brooks, Harold & Douglas	(Trustee).
McKenna (In Trust).	Gunn, D. R.
Beaton, A. H.	Godman, Temple.
Bungay, Norah.	Gemmell, Emily Helen.
Bungay, Winnifred.	Gillison, James Jr.
Bamford, William B.	Gouinlock, Lillie E.
Crabbs, Joseph T.	Greachen, Margaret.
Calderwood, Justina A.	Granby Consolidated M. S.
Collard, Harriet (Mrs.).	& P. Co., Ltd.
Caufield, B.	Gouinlock, James.
Cann, Harold P.	Gardner, Amy Inglis.
Cardy, Vernon G.	Godwin, Alice J.
Clinch, Eliza Anne.	Hitchins, Mary F.
Carter, Madeline I.	Hanna, Leila O.
Carter, Fred H.	Hill, Walter J.
Cooper, W. H.	Higgin, Charles Napier.
Dancy, Mabel I.	Harris, Jessie Mary.

Harriss, Charles. A. E.	McNeill, A. H.
Haydon, Andrew.	Northcote, Isabella G.
Hanson, William.	Nettleton, Frank H.
Hanson Bros.	Northall-Laurie, Dudley.
Hatton, C. D.	Nichols, E. T.
Howell, C. M.	O'Brien, Morgan J.
Hill, Charles Plummer.	Osler Hammond.
Hunter, Francis Ellen.	Parrott, W.
Hemans, Josiah.	Rockridge Investment &
Hicks, Marjorie O.	Farming Ltd.
Innes, R. L.	Robinson, W. Wynne.
Irish, Mark H.	Ross, Kenneth George.
Jameson, Marie D'Arcy.	Steedman, J. P.
Johnstone, James Robert.	Stearns, Clara E. (Mrs.).
Jones, Beverley.	Simpson, Robert R.
Jackson, Clara.	Shields, Edward Roy.
Keliher, Edith.	Suckling, Clarice I.
Kelley, L. M.	Scanlon, Albert E.
Kelley, Elizabeth C.	Terhune, N.
Leman, Beaudry. Estate P. B.	Wynes, H. G.
Laurie, Margaret.	Watt and Watt.
Laurie, Kenrick Carteret.	Williams, Clara N.
Martin, Frederick Richard.	Williams, Ida L.
Moss Lawson and Co.	Wilson Coal & Coke, Ltd.
Maulson, Frank E.	Wilson, John.
Murray, W. Parkyn.	Williams, Chester J. (In
McGiverin, H. B.	Trust).
McAndrew, Jane.	Watson, C. F.
MacDougall, Mary A.	Whitehead, T. H.
McLaren, Isa F. (Mrs.)	Whitelaw, Mary P.
McLaren, W. F.	Whittaker, Jessie.
McKeough, W.	Zammers, F. J.

On motion, Mr. Wilson was requested to take the Chair, and Mr. Irvine to act as Secretary.

The Secretary read the Notice calling the meeting for the 13th day of June, 1928, at 2.30 p.m.

On motion of Mr. Gilman, seconded by Mr. Maher, the Minutes of the last Annual Meeting, held on the 10th day of June, 1927, were taken as read.

On motion of Mr. Gilman, seconded by Mr. Maher, the Thirty-first Annual Report of the Directors, and the accompanying Financial Statement were taken as read.

DIRECTORS' REPORT FOR THE YEAR 1927.

To the Shareholders :

Your directors for the year 1927 respectfully submit their thirty-first annual report showing statement of the Company's Assets and Liabilities on the 31st day of December, 1927, as well as figures which show the Profit and Loss Account for the year ending on the same date.

The Balance at the Credit of the Profit and Loss Account brought forward from 1926 was \$122,135.67. To this has been added the sum of \$290,855.45, being the Company's net profit from all sources of the operations for the year 1927 (after making provision for the Dominion Income Tax for the year 1927, amounting to \$21,023.06), making a total of \$412,991.12. From this amount, your Directors have paid four dividends of one and one half per cent. each, making a total of six per cent. for the year, and amounting in all to \$372,693.00, leaving a balance at Credit of Profit and Loss to be carried forward to 1928, of \$40,298.12.

The Operative Profit of the Subsidiary Company, The Crow's Nest Pass Electric Light and Power Company, Limited, for the year was \$9,637.17, all of which was transferred to Depreciation Reserve.

The Operative Profits of the other subsidiary Company, The Morrissey, Fernie and Michel Railway Company, for the year, were \$37,674.26, all of which was transferred to Depreciation Reserve.

During the year, the Coal Company spent by way of Capital Expenditures, for improvements and development, \$244,125.68. The Crow's Nest Pass Electric Light and Power Company, Limited, \$228.37, and the Morrissey, Fernie and Michel Railway Company, \$48,620.04.

The Coal mined during the year amounted to 870,689 tons 1290 pounds, as against 817,431 tons 310 pounds in 1926, and the Coke produced was 95,280 tons 1855 pounds as against 104,660 tons 410 pounds in 1926.

All of which we respectfully submit.

W. R. WILSON,

Fernie, B.C., June 13th, 1928.

President.

BALANCE SHEET, DECEMBER 31st, 1927.

Assets.

Cash on hand and in Banks	\$ 276,040.51	
Accounts Receivable	469,149.48	
Inventories, Coal, Coke, Stores, etc.	249,445.98	\$ 994,635.97
Securities and Shares Owned		1,817,333.02
Unexpired Insurance		1,393.12
Mines, Real Estate, Plant and Equipment	7,796,155.66	
Less: Reserve for De- preciation	4,044,950.58	
		3,751,205.08
		<u>\$6,564,567.19</u>

Liabilities.

Accounts Payable	135,463.96	
Provision for 1927 Do- minion Income Taxes	21,023.06	
Contingent Liability Re- serve	155,115.39	311,602.41
		<u>\$6,252,964.78</u>
Capital Stock Paid up	6,212,666.66	
Profit and Loss Credit Balance	40,298.12	
		<u>\$6,252,964.78</u>

Fernie, B. C., June 13th, 1928.

A. A. Klauer, Treasurer.

PROFIT & LOSS ACCOUNT

Year Ended December 31st, 1927.

Balance at CREDIT, January 1st,	122,135.67
Profit, Coal and Coke Operations	216,472.14
Lands, Timber Operations and Other Sources	95,406.37
	<hr/> 311,878.51
	<hr/> \$ 434,014.18
Less: Provision for 1927 Dominion Income Taxes	21,023.06
	<hr/> 412,991.12
Dividend No. 71, paid March 1st, 1927....	93,172.50
Dividend No. 72, paid June 1st, 1927	93,172.50
Dividend No. 73, paid Sept. 1st, 1927	93,174.00
Dividend No. 74, paid Dec. 1st, 1927	93,174.00
	<hr/> 372,693.00
Balance at CREDIT, December 31st, 1927	<hr/> \$ 40,298.12

Fernie, B. C., June 13th, 1928.

A. A. Klauer, Treasurer.

AUDITORS' REPORT AND CERTIFICATE

Toronto, Ontario, March 29th, 1928.

**To the Shareholders of
The Crow's Nest Pass Coal Company, Limited,
Fernie, B.C.**

Gentlemen :—

We certify we have audited the books and accounts of your Company, for the year ended December 31st, 1927, and that the appended Balance Sheet is, in our opinion, so drawn as to exhibit a true and correct view of the Company's position as at that date, and as shown by the books.

We further certify that all our requirements as Auditors have been fully complied with.

Respectfully submitted,

Welch, Campbell & Lawless,
Chartered Accountants.

THE PRESIDENT'S ADDRESS

I respectfully beg to move the adoption of the report which in some respects is not very satisfactory, owing to the three following causes: first, transportation Companies resorting to the use of oil fuel; secondly, Smelter Companies, to some extent, deflecting from the use of coal fuels, to a more extensive use of electricity; and third, the increasing development of natural gas in the Province of Alberta, which means of power and heat are each curtailing the markets for coal.

The employees of the Company have steadfastly lived up to the wage agreement, which terminated April 1st, 1928, that agreement having been consummated during the year 1924, and in substance has been extended for three more years, or up to April 1st, 1931; the new agreement involving a fifteen cent per day increase on all day wages.

The Mines during the year worked the following stated time:

Coal Creek Mines worked	252 days.
Michel Mines worked	249 days.
Coal production during the year was	870,690 tons.
Coke production during the year was	95,281 tons.

The amount of development work done during the year to sustain the production as above given is explained as follows:

Coal Creek Mines, narrow work driven	33,030 feet.
Michel Mines, narrow work development.....	17,300 feet.

The aggregate main roadways to be maintained in all Mines now amount to about 28 miles. These main roadways embrace and form the outlines of an unabstracted workable pillar area of about 25,000,000 tons in all Mines, or a potential production capable of carrying the Mines at 1,000,000 tons per year production for about 20 years. This pillar coal is not comprised of the ordinary sized pillar coal, but constitutes about 70 per cent. of the full coal areas developed within the main roadway areas herein presented.

During the last two years, through the driving of about 4,000 feet of development rock tunnel, five new bodies of coal have been recovered: Lower No. 8, on the North Side of the Valley at Michel, a vein of coal 13 feet thick; and on the South Side of the Valley at Michel, four new veins of coal have been recovered, one vein called No. 2 Seam, one vein called No. 1 Mine, one vein called "A" Seam, and one bed of coal called "B" Seam. These five beds of coal have a mining average of about nine feet thick each, and from such areas, not less than 7,000,000 tons of coal ought to be safely mined before drainage. These different veins of coal are each reasonably competitive coals; No. "B" Seam especially is a coal bed with versatile qualities—good Blacksmith Coal, good Coking Coal, and an excellent steam coal.

For the purpose of explaining all the new work expenditures that have been carried on during the year, we are placing before you a complete detailed statement of all expenditures made under the heading of "New Work, and caring for Old Mines."

**DETAILS OF PILLAR COAL MENTIONED IN
ADDRESS OF PRESIDENT.**

	Total Area Worked Acres	Area Left in Pillars	Percent of Area left in Pillars	Estimate of ton'ge left in Pillars
MICHEL :				
Abandoned—				
No. 2 Mine	3.5	2.5	72%	38,000
Old No. 3 Mine	144	75	52%	896,000
No. 3 East	165	98	59%	1,585,000
No. 4	60	41	68%	743,000
No. 5	69	41	59%	534,000
No. 7	36.3	24.8	68%	295,000
Old No. 8	240	137	57%	2,516,000
No. 8 North	2.5	1.6	64%	20,000
No. 9	9.3	6.1	64%	92,000
				<hr/>
				6,719,000
Working—				
No. 1 Mine	5	3.6	72%	49,000
No. 3 Mine	235	69	30%	1,136,000
No. 8 Mine	295	150	51%	2,619,000
				<hr/>
COAL CREEK :				3,804,000
Abandoned—				
Old No. 1	138.5	95.6	69%	1,890,000
No. 4	2.4	1.6	67%	17,000
No. 5	180.5	114.8	64%	2,246,000
No. 6	1.5	.9	60%	10,000
No. 1 North	208	124	60%	1,939,000
No. "B" North	176	128	72%	1,770,000
No. 9	81	12.8	16%	117,000
				<hr/>
				7,989,000
Working—				
No. 1 South	289	197	68%	4,167,000
No. 1 East	622	456	73%	8,381,000
No. 2 & 3	991	684	69%	9,054,000
				<hr/>
				21,602,000
 Working Total for Michel				
				3,804,000
 Working Total for Coal Creek				
				21,602,000
 Working Total for Michel & Coal Creek				
				25,406,000

I beg to move the adoption of the Report.

Mr. Maher seconded the motion.

An opportunity was then given for discussion, after which the motion to adopt the Report was put to the meeting, and carried unanimously.

It was moved by Mr. Maher, seconded by Mr. Gilman, that all actions of the Board of Directors and Officers of the Company during the past year, and up to May 31, 1928, in so far as they appear of record, be and the same are hereby approved. (Carried).

It was moved by Mr. Maher, seconded by Mr. Gilman, that the firm of Messrs. Welch, Campbell & Lawless, Chartered Accountants, of Toronto, be appointed Auditors of the Company for the ensuing year. (Carried).

It was moved by Mr. Gilman, seconded by Mr. Maher, that the thanks of the Shareholders are due and are hereby tendered to the Officers, Staff and Employees of the Company, for their zeal and effective services in the interest of the Company during the past year. (Carried).

It was moved by Mr. Maher, seconded by Mr. Edgar, that Mr. Irvine and Mr. Klauer be appointed Scrutineers for the election of Directors. (Carried).

It was moved by Mr. Maher, seconded by Dr. Howland, that the following gentlemen be nominated as Directors

of the Company for the ensuing year : Mr. W. R. Wilson, Dr. G. W. Howland, Mr. A. H. MacNeill, Mr. James T. Maher, Mr. James F. Edgar, Mr. L. C. Gilman, Mr. Andrew Haydon, Colonel J. T. Crabbs and Mr. H. P. Wilson.

It was moved by Mr. Edgar, seconded by Mr. Gilman, that the Chairman cast one ballot on behalf of the Shareholders and in favor of the gentlemen nominated as Directors of the Company for the ensuing year. (Carried).

The Scrutineers reported the gentlemen nominated as having been duly elected Directors of the Company for the ensuing year.

It was moved by Mr. Maher, seconded by Mr. Edgar, and resolved that we learn with very great regret that Mr. W. H. Robinson passed away on August 20th, 1927.

Be It Further Resolved that the following resolution as passed by the Directors be incorporated in the Minutes of the Annual Report :

“That the Directors at all times valued highly the advice and assistance of the late Mr. Robinson, and desire that their expression of regret on account of losing the same be placed on the minutes of this meeting.

It was further resolved that a copy of this resolution be forwarded to the family of the late Mr. W. H. Robinson.” (Carried).

The meeting then adjourned.

At a subsequent meeting of the Directors the following Officers were elected :

President	Mr. W. R. Wilson
First Vice-President	Mr. A. H. MacNeill
Second Vice-President	Mr. L. C. Gilman
General Manager	Mr. H. P. Wilson
Treasurer	Mr. A. A. Klauer
Comptroller	Mr. Geo. H. Hess, Jr.
Secretary	Mr. J. S. Irvine



